

BEFORE THE FEDERAL ELECTION COMMISSION

FEB 21 2001
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COMMISSION
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SENSITIVE

In the Matter of)
)
Democratic National Committee/)
DNC Services Corporation and) MURs 4936 and 5038
Andrew Tobias, as treasurer)
Hollywood Women's Political Committee and)
Judith Dornstein, as treasurer)

GENERAL COUNSEL'S REPORT #3

I. **ACTIONS RECOMMENDED:** Approve the attached revised conciliation agreement with the Democratic National Committee/DNC Services Corporation ("DNC") and Andrew Tobias, as treasurer, signed by counsel for these respondents. The Hollywood Women's Political Committee and Judith Dornstein, as treasurer ("HWPC") have filed the requested amendments to its 1996 reports and all missing information with the Commission, therefore: (1) take no further action; (2) close the entire file; and (3) approve the appropriate letters.

II. **BACKGROUND**

On October 5, 1999, the Commission found reason to believe the Democratic National Committee/DNC Services Corporation and Andrew Tobias, as treasurer, violated 2 U.S.C. §§ 441a(f), 441b(a) and 434(b)(2)(D), provisions of the Federal Election Campaign Act of 1971, as amended, (the "Act"), by accepting excessive contributions and by making repayments to a federal committee from its non-federal account; and by failing to report the advances as a contribution from another political committee. The Commission also found reason to believe the Hollywood Women's Political Committee and Judith Dornstein, as treasurer, violated 2 U.S.C. §§ 441a(a)(2)(B), 441b, 434(b)(4)(H)(ii) and 11 C.F.R. § 102.5(a)(2) by making an impermissible contribution to the DNC through the advancement of funds; for depositing into a federal account funds which did not meet

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the limitations and prohibitions of the Act; and for failing to report the advances as a contribution to another political committee.

On September 19, 2000, the Commission found reason to believe that the HWPC violated 2 U.S.C. § 433(c) and 434. At this time, the Commission also voted to enter into conciliation with the DNC prior to a finding of probable cause to believe and approved the proposed conciliation agreement

Furthermore, the Commission voted to include in the reason to believe notification to the HWPC a paragraph stating that if the HWPC amended its 1996 reports and filed the missing information, the Commission would strongly consider taking no further action and closing the file in these matters with respect to the HWPC.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

21.04.403.0195

IV. **DISPOSITION OF HOLLYWOOD WOMEN'S POLITICAL COMMITTEE**

In a letter to the HWPC, the Commission stated that if the HWPC amended its 1996 reports and filed the missing information, the Commission would strongly consider taking no further action and closing the file in these matters with respect to the HWPC. *See* General Counsel's Report dated August 30, 2000. The HWPC has since filed the following documents with the Commission: amendments to the committee's Statement of Organization (Form 1); amendments to the committee's 1996 reports (July Quarterly, October Quarterly, Pre-General, Post-General, and Year-End); and the committee's missing reports (1999 Year-End, April 2000 Quarterly, July 2000 Quarterly, and October 2000 Quarterly). *See* Attachment 2. The last report filed by this committee which contained any activity was the 1998 July Quarterly. Since that time, this committee has reported zero activity. Therefore, this Office recommends that in addition to accepting the conciliation agreement with the DNC, that the Commission close the file in these matters with respect to all respondents.

IV. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with the Democratic National Committee/DNC Services Corporation and Andrew Tobias, as treasurer.
2. Take no further action with respect to the Hollywood Women's Political Committee and Judith Dornstein, as treasurer.

3. Close the file and approve the appropriate letters.

Lois G. Lerner
Acting General Counsel

2/21/01
Date

BY:

Abigail A. Shaine
Abigail A. Shaine
Acting Associate General Counsel

Staff assigned: Tara Meeker

Attachments:

1. Revised Conciliation Agreement signed by counsel for the DNC
2. HWPC's amended reports



FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel *HCS*

DATE: February 21, 2001

SUBJECT: MUR 4936/5038- General Counsel's #3

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

SENSITIVE

☒

NON-SENSITIVE

☐

72 Hour TALLY VOTE ☒

24 Hour TALLY VOTE ☐

24 Hour NO OBJECTION ☐

INFORMATION ☐

96 Hour TALLY VOTE ☐

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COMPLIANCE

☒

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REGULATIONS ☐

OTHER ☐

21-04-403-0198